

TMF Capacity Assessment Form for Change of Ownership of Noncommunity Public Water Systems

Water System Name:

System Number:

Person completing this assessment: _____

Name

Title

Signature

Date

Background & Instructions

As a result of the 1996 Federal Safe Drinking Water Act the California legislature passed Senate Bill 1307. This bill added Section 116540 to the California Health and Safety Code (CHSC). Subparagraph a) of this section states, “*No public water system that was not in existence on January 1, 1998, shall be granted a permit unless the system demonstrates to the department that the water supplier possesses adequate financial, managerial, and technical capacity to assure the delivery of pure, wholesome, and potable drinking water. **This section shall also apply to any change of ownership of a public water system that occurs after January 1, 1998.***”

This form will be used by the Department to assess the technical, managerial, and financial (TMF) capacity of noncommunity public water systems that are changing ownership. **This form is a required part of the permit application process.** Failure to complete and return the form to the Department will prevent the Department from assessing the TMF Capacity of that public water system and effectively prohibit the Department from issuing a permit to the new owner of the water system. Section 116525 of the CHSC expressly prohibits a person from operating a public water system unless he or she first receives a permit to do so from the Department.

All new owners of public water systems applying for a water supply permit in accordance with Section 116525 of the CHSC must possess some elements of TMF Capacity at the time the permit application is filed with the Department. These elements are labeled “Capacity Elements Required at the Time of Application” in this form. Other elements are not necessary at the time of the permit application but must be developed by the water system within an agreed upon time frame. These elements are labeled “Capacity Elements Required to be Developed” in this form. The schedule for development of these elements will be placed in the permit issued to the water system as legally enforceable directives. **Even though these capacity elements are not required at the time of application, adequate information must be submitted to enable the Department to assess a water system’s ability to comply.**

Therefore, please complete all sections of this form and attach all pertinent documentation before submitting it to the Department. You may contact your local Department office if you have any questions about items required to be submitted with this form.

Managerial Capacity - Mandatory

A. Ownership

In order to determine accountability for compliance with California SDWA requirements, the owner(s) of the water system must be clearly identified. It is also essential that the system demonstrate that they own or control the facilities necessary for the operation of the system.

Capacity Elements Required at the Time of Application:

The items listed below **must be submitted with this form** as part of the permit application. Check the box next to each item submitted with this form. Please check the boxes marked 'Not Applicable', if appropriate, so we know those items were addressed.

- 39 ☐ Description of the proposed type of system ownership (e.g., sole proprietorship, partnership, corporation, mutual, governmental agency) along with the name(s), address(es), and phone number(s) of the owner(s).
- 40 ☐ List of any public water systems that are or have been owned by the applicant (solely, in partnership or as a corporation, etc.). ☐ *Not Applicable*
- 41 ☐ List of any public water systems that the applicant previously operated or is currently operating under contract for another owner or entity. ☐ *Not Applicable*
- 43 ☐ *Systems that use, but do not own, land or facilities that are essential to water system operation:* Term(s) of agreement for the long-term use of land or facilities not owned by the system. ☐ *Not Applicable*
- 44 ☐ *Systems with a sole proprietor:* A contingency plan for continuing operations in the event the owner becomes incapable of carrying out his/her responsibilities. ☐ *Not Applicable*
- 45 ☐ Disclosure of any encumbrances, trust indentures, bankruptcies, decrees, legal orders or proceedings, or other items that may affect or limit the owner's control of the water system.

Comments _____

B. Organization

A clear description of the organization including a functional organization chart is essential for every water system. This establishes the lines of authority and communication between employees and management and helps to avoid confusion, mistakes, or misunderstandings in

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the daily operation and management of the system. It is also essential to define the respective roles of each person to avoid duplication and confusion, and to ensure that all essential functions are covered.

Capacity Elements Required at the Time of Application:

The items listed below **must be submitted with this form** as part of the permit application. Check the box next to each item submitted with this form. Please check the boxes marked 'Not Applicable', if appropriate, so we know those items were addressed.

- 46 ☐ A complete description of the reporting relationships and primary responsibilities of all key personnel that will be involved in the management or operation of the water system (including employees and contract personnel). This includes name(s), position(s) and title(s) of those responsible for establishing policies, for ensuring compliance with state regulatory drinking water requirements, and for day to day operations of the water system.
- 47 ☐ A description of the relevant training and experience that persons responsible for the management of the water system have received.
- 48 ☐ A description of how legal, engineering, and other professional services will be provided.
- 49 ☐ *If the person in charge of system operation has other responsibilities unrelated to the water system:* Description of these other responsibilities and how much time is dedicated to the operation of the water system. The system Operations Plan may be used as part of this demonstration. ☐ *Not Applicable*
- 50 ☐ *Systems that contract for system management or operation:* The contract between the water system and the contractor, showing the contractor's duties and responsibilities and the amount of time to be spent performing the specified duties. ☐ *Not Applicable*

Comments _____

C. Water Rights

Water systems must demonstrate that they have a legal right to the quantity of water necessary to assure an adequate and reliable drinking water supply. A copy of any documentation showing the water right should be maintained as part of the system records.

Capacity Elements Required at the Time of Application:

The items listed below **must be submitted with this form** as part of the permit application if they are applicable to the water system source(s). Check the box next to each item submitted

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with this form. Please check the boxes marked 'Not Applicable', if appropriate, so we know those items were addressed.

- 54 ☐ If the source of water for the system is groundwater from an unadjudicated basin, check this box. No additional documentation is required.
- 51 ☐ Information that describes the legal basis and authority for diversion or extraction of water. This may include documents such as permits, licenses, or other agreements showing all water rights owned or controlled by the system or a letter of confirmation from the authority that granted each of the water rights held by the system. ☐ Not Applicable
- 52 ☐ If the source water is subject to permit requirements under the State Water Resources Control Board: A copy of the water rights permit. ☐ Not Applicable
- 53 ☐ If water is pumped from an adjudicated groundwater basin: Documentation of approval for extraction of water from the basin watermaster. ☐ Not Applicable

Comments _____

Financial Capacity - Mandatory

D. Budget Projection

The budget projection is a written financial plan for the operation of the water system over the next five years. This is a critical feature of the TMF Capacity assessment because it indicates whether the system's revenues and reserves will meet the water system's expenses. It also is a necessary tool that will enable the water system to plan for future needs.

Capacity Elements Required at the Time of Application:

The items listed below **must be submitted with this form** as part of the permit application. Check the box next to each item submitted with this form.

- 61 ☐ Five-year projection of anticipated revenues and expenditures for the system. If there is no revenue generated from operation of the water system, only expense data must be supplied.

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Comments _____

Technical Capacity - Necessary

E. System Description

“As-built” maps or drawings that show the location of all of the facilities in the system and maps that show the existing and future service areas, sources of supply and contamination hazards, and other critical facilities are essential to the operation of any water system. To be useful beyond the date they are prepared, the water system should have a method to keep the maps updated as changes occur. Knowing the location, type of materials, etc., of water mains or other facilities is necessary in order to check, repair or replace them. Similarly, it is essential during an emergency to know where the isolation valves are.

Capacity Elements Required to be Developed:

The items listed below do not have to be submitted at the time of application but must be developed within an agreed upon time frame. However, if the water system already has any of the items listed below, check the appropriate boxes and attach the items to this form. Please check the boxes marked ‘*Not Applicable*’, if appropriate, so we know those items were addressed.

Map(s) that show:

- 1 ☐ Current service area.
- 2 ☐ Location of existing and proposed facilities (e.g., each water source, treatment facility, pumping plant, storage tank, and pressure zone in the system, as well as all distribution system piping).

Comments _____

F. Consolidation Feasibility

Section 116555 of the California Health and Safety Code requires that a public water system provide a reliable and adequate supply of pure, wholesome, healthful and potable water at all

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times. At times, this can be done by consolidating physical facilities with another existing public water system. This provides reliability in both source and operation capabilities, while eliminating the need for the owner of the individual noncommunity water systems to track compliance with all drinking water laws and regulations.

Capacity Elements Required to be Developed:

The items listed below do not have to be submitted at the time of application but must be developed within an agreed upon time frame. However, if the water system already has any of the information requested, check the appropriate boxes and attach the information to this form. Please check the box marked '*Not Applicable*', if appropriate, so we know that item was addressed.

- 8 ☐ An evaluation of the feasibility of consolidation with other water systems, which must include:
- 9 ☐ Identification of all existing public water systems located within one mile of the water system changing ownership. ☐ *Not Applicable, no public water system within one mile*
- 10 ☐ Description of the feasibility of incorporating into an existing water system or being owned, operated or managed by a satellite agency.

Comments _____

G. Operations Plans

A comprehensive water system Operations Plan is necessary to ensure that all operations personnel (full time, part time, on call, and new employees) have a standard set of procedures for the routine operation the water system. Systems providing any type of water treatment are required to develop a treatment plant Operations Plan. Water system managers should develop the system Operations Plan with operating personnel and establish procedures to review all plans annually with operators.

Capacity Elements Required to be Developed:

The items listed below do not have to be submitted at the time of application but must be developed within an agreed upon time frame. However, if the water system already has any Operations Plans that include any of the elements listed below, check the appropriate boxes and attach the plans to this form. Please check the boxes marked '*Not Applicable*', if appropriate, so we know those items were addressed.

- 16 ☐ *For systems utilizing a surface water source:* A Department-approved SWTR Operations Plan. ☐ *Not Applicable, not using surface water*

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- 17 ☐ For systems providing any other water treatment (including chlorination): A Department-approved treatment plant Operations Plan, which should address process monitoring, response to violations, and reporting. ☐ Not Applicable
- 18 ☐ A system Operations Plan that addresses how the water system will be operated to comply with drinking water requirements and the California Waterworks Standards. The plan must address the following items:
- 19 ☐ Daily operational practices.
- 20 ☐ Emergency operational practices.
- 21 ☐ Flushing dead-end mains.
- 22 ☐ Storage tank inspection and cleaning.
- 23 ☐ Main repair and replacement.
- 24 ☐ Consumer complaint response procedures.
- 25 ☐ Maintenance and testing of backflow prevention devices.
- 26 ☐ Inspecting and exercising water main valves.
- 27 ☐ Maintenance of master flow meters.
- 28 ☐ Responsibilities of operating personnel.
- 29 ☐ Operation of all production, transmission and distribution facilities.
- 30 ☐ Procedures to assess increasing concentrations in water quality parameters from an evaluation of source water quality monitoring data.
- 31 ☐ Record keeping.
- 33 ☐ Procedures to review and update all Operations Plans every five years.

Comments _____

H. Certified/Qualified Operators

The California Code of Regulations, Title 22, requires certified operators for public water systems. In addition, all public water systems be under the operational control of an appropriately certified or qualified operator in order to assure reliable compliance with drinking water standards.

Capacity Elements Required to be Developed:

The items listed below do not have to be submitted at the time of application but must be developed within an agreed upon time frame. However, if the water system already has any of the items listed below, check the appropriate boxes and attach the items to this form.

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- 34 ☐ *For water systems where treatment is provided:* Documentation of appropriately certified operator(s) who are responsible for the operation of the water system and treatment facilities.
- Does the water system currently have a state certified operator?
- 35 ☐ Yes ☐ No
- If Yes*, attach name, grade and certification number of each operator.
- 36 ☐ *For water systems where no treatment is provided:* Provide a copy of the Distribution Operators certificate, or attach the name, qualifications and/or experience of the person(s) operating the water system.
- 37 ☐ *If the operators have not been hired:* Provide a plan and schedule for hiring the required certification grade or qualification of operator.
- 38 ☐ A description of the relevant training and experience of persons responsible for the operation of the water system.

Comments _____

Managerial Capacity - Necessary

I. Emergency/Disaster Response Plan

In order to provide reliable service and to minimize public health risks from unsafe drinking water during emergencies, water systems should have a plan that defines how it will respond to emergencies and disasters that are likely to affect its operation.

Capacity Elements Required to be Developed:

The item listed below does not have to be submitted at the time of application but must be developed within an agreed upon time frame. However, if the water system already has a plan which includes any of the elements listed, check the appropriate boxes and attach the plan to this form.

- 55 ☐ An Emergency/Disaster Response Plan. The plan must address the following items:
- 56 ☐ All disasters and emergencies that are likely to occur in the water system's service area. As a minimum, all water systems must address earthquake and major fire emergencies. Other potential emergencies that may occur

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- in a water system's service area include flooding, water outages, process control failures, and water contamination.
- 57 ☐ Designation of responsible personnel; an outline of the reporting chain of command; and identification of responsibilities of personnel during the emergency/disaster.
- 58 ☐ Steps that will be taken to cease operation until the water system is restored.
- 59 ☐ Emergency procedures to quickly assess damage to water system facilities; provide logistics for emergency source activation and repairs; monitor progress of repairs and restoration; communicate with health officials and water users; and document damage and repairs.
- 60 ☐ Steps that will be taken to resume normal operations and to prepare and submit reports to appropriate agencies.

Comments _____
